



**SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE**

EDWARD B. GRIMBALL, Chairman
HOWELL CLYBORNE, JR.
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FRANK A. RAINWATER
Executive Director

MEMORANDUM

To: School Superintendents

From: Frank A. Rainwater, Executive Director

Date: July 30, 2018

Subject: Review FY 2018-19 Tier III Reimbursement Estimates – Modified Pupils in Poverty

This memo is to notify you that we have reviewed the FY 2018-19 Homestead Exemption Tier III reimbursement estimate provided on February 9, 2018, using the modified definition of pupils in poverty. Based on this review, we do not anticipate a need to change our February estimate. Please note, our analysis is reflective only of the impact on Tier III funding and does not address EFA funding handled by the Department of Education.

The February estimated reimbursement was calculated using the pupils in poverty definition included in Proviso 1.3 of FY 2017-18, which states that the Department of Education will continue to use counts from the prior school year to determine poverty funding for the add-on weighting.

The FY 2018-19 Appropriations Act changed the definition to students who qualify for Medicaid, SNAP, TANF, or are homeless, transient, or in foster care. This revision affects the calculation of the weighted pupil units and the additional 0.2 weight for pupils in poverty used to allocate the increase in total Tier III funding.

We used the modified definition of pupils in poverty to review the February estimate. Based upon this review, we do not anticipate a need to change our projections. Please be aware, however, that the actual total reimbursement will be determined by the final 135-day student count, which will be reflected in the final balancing payment.

If you have any questions, please contact Mary Katherine Gable at marykatherine.gable@rfa.sc.gov or (803) 734-3322.